

Project Delivery Steering Committee and Project Finance Sub-Committee

1. PURPOSE AND SCOPE

This policy will establish the DOTD Project Delivery Steering Committee (PDSC) and the Project Finance Sub-Committee (PFC), which will be standing committees for the purpose of advising and making policy recommendations to the DOTD Secretary on all aspects of program finance and budget, including annual program budget partitions, revenue projections, revenue enhancements, innovative financing alternatives, including but not limited to, bonds and tolls, means and impacts of funding major projects, and both short term and long range fiscal planning for programs.

2. PROJECT DELIVERY STEERING COMMITTEE RESPONSIBILITIES

The charge of the PDSC is to provide DOTD with an integrated Capital Outlay Management and Decision Support Structure for program and project budgeting and accounting that will facilitate control of scope, schedule, and quality. DOTD's program and project finance system will fulfill this objective by facilitating or providing the following:

- Oversight and review of capital outlay funding sources including federal, state, bonds, tolls, and others.
- Oversight and review of the timing of expenditures and revenues to control cash flow requirements.
- Review of and dealing with exceptions to budgets, expended amounts, and the schedule of obligation requirements.
- Review of material changes, and the reasons for them, in projected costs for a project throughout its lifecycle.
- Review of program level financial and schedule information
- Establish and monitor project delivery goals and objectives for Department.
- Establish policies and procedures supporting the project delivery process.
- Review and provide sign-off for project-level scope decisions with policy impact.
- Review and provide sign-off of initial scope/budget for major projects and significant or material proposed changes to scope/schedule/budget.
- Review and provide sign-off for material changes to specific programs or

changes with cross-program implications.

- Review and provide sign-off of the project risk matrix

3. PROJECT DELIVERY STEERING COMMITTEE MEMBERSHIP

The Undersecretary, Office of Management and Finance, shall chair the PDSC which will be comprised of the following members:

Deputy Secretary

Undersecretary

Assistant Secretary for Planning and Programming

Chief Engineer

Assistant Secretary for Operations

Assistant Secretary for Public Works and Intermodal Transportation

4. FINANCE SUBCOMMITTEE RESPONSIBILITIES

The Finance Subcommittee is created within the Project Delivery Steering Committee to provide financial guidance and direction for the capital program.

The subcommittee is the focal point for managing funds into, and projects out of, the highway capital program. The subcommittee will have the authority to make recommendations concerning budget partitioning and project control to the PDSC. Because these authorities currently reside in the Undersecretary of Management and Finance and in the Chief Engineer, both of these executives would delegate their necessary authorities to the subcommittee. The committee will review and act upon the monthly financial management reports

The PFC will be the working group that supports the PDSC. The PFC will be supported by the Manager of Reporting and Analysis, who will be responsible for the compilation of financial reports used by the subcommittee. All management reports flow upward through him or her. All executive requests for ad hoc reports flow downward through him or her. He or she manages the agenda for committee meetings; and, most importantly, he or she educates executive management about all aspects of project funding and financing.

5. PROJECT FINANCE SUBCOMMITTEE MEMBERSHIP

The subcommittee will be comprised of the following members:

Director of Finance (CFO) (Chair)

Administrator, Transportation Planning Section

Highways Program Engineer

Director of Project Development

Director of Accounting Services

State Capital Outlay Analyst

Project Finance Section Head

6. MEETINGS

The PDSC shall typically meet each month. Additional or fewer meetings shall be held at the discretion of the Chairman. The PFC will typically meet a few days prior to the PDSC meeting. An agenda for each meeting will be prepared by the Manager of Reporting and Analysis and delivered to the members of the committee at least 2 working days prior to each meeting. The Committees may also invite additional staff to present information pertaining to individual agenda items on an as-needed basis.

7. DOCUMENTATION

The proceedings of each PDSC and PFC meeting will be duly recorded by the Manager of Reporting and Analysis or his/her designee and copies distributed to each committee member. A specific recommendation memorandum will be prepared and submitted to the Secretary for approval.